

## LONDON SECRETS OF STATE

## HUGE NAVAL EXPANSION PLAN INVOLVING HUGE LOAN.

Liberal Government's Programme to Stop the Spread of Panic Threatens Another Kind—Kaiser Kindsly Consents—Socialist Tactic—What London Talks Of.

Special Cable Dispatch to THE SUN.

LONDON, Aug. 22.—Light has been thrown upon some of the great political mysteries, both in England and in the Anglo-German relations. It cannot be denied that the growing alarm in the diplomatic world, culminating in Lord Cromer's war speech in the House of Lords, gravely disturbed all Europe. The meeting of King Edward and the Emperor William did something to allay the apprehension, but the situation was such, and still is such, in fact, that the peaceful intentions of the monarchs did not suffice to remove the danger.

Popular antagonism in modern days is a more potent element in international relations than the policies of monarchs. Moreover, the competition in armaments reached a crisis beyond which it could not go without a change in policy. Even the irrepressible government which controls British affairs realized at last that the situation must be faced.

Its policy had been one of naval economy. It wanted all the money that could possibly be squeezed from the taxpayers for the old age pensions and other socialistic schemes. Even that did not suffice, and the Government attempted to revise the balance sheet by sweeping reductions in the provisions for national defence. Germany's great naval programme had made for her a fair match for Great Britain on the seas within three or four years. This was obvious to everybody and the effect was soon seen in the exultant talk of the German people and the national alarm which began to seriously affect prosperity in England. The situation in a word began to be almost panicky.

BIG FLEET, BIG LOAN.

It is now disclosed how it will be dealt with. Semi-official accounts of the discussion between Sir Charles Harding, Permanent Under Secretary of the British Foreign Office, and the Kaiser, state that the former intimated that it was Great Britain's intention to practically double the German naval programme in a scheme to be announced next winter. The subject was frankly threshed out and the Emperor, in a most friendly spirit, declared that this policy would be regarded with entire sympathy by himself and his Government. It was also explained that the enormous expense involved would probably be met by a large loan. In other words the Liberal Government in time of peace will make a heavy addition to the national debt to pay current expenses.

The Government is not yet openly committed to this disastrous policy, but a series of *balloons d'essai* which appeared in the *Livorno* press this week, makes it clear that it will be adopted unless the popular protests are overwhelming. It is obvious even to a tyro in finance that no more dangerous precedent could be established. This way bankruptcy lies. The Radical press will be filled with spacious arguments to prove that the sacred cause of national defence and not experiments in socialism have forced the Government into this desperate course. It remains to be seen how the country will be deceived in this regard.

It is somewhat disheartening to find such an advanced journal as the *Spectator* coming to the defence of the Government in this project. It argues that the Government must resort to extraordinary measures in the critical moment which threatens the safety of the State. It sees in the annual situation on the subject of naval expenditure a recurring danger of war. The adoption of a big four years' programme would put an end to this, and also settle once for all the question of British supremacy on the sea, for Germany would never be able to match it.

The financial world, however, will greet the policy with the deepest abhorrence. From only one point of view will be it tolerated in financial circles, namely, from the fact that when the country realizes that long step has been taken toward national insolvency it will condemn and repudiate the socialistic extravagance which made it necessary.

REDUCTION OF MONETARY LOAN.

The American Monetary Commission dispersed to-day.

"It has been most satisfactory," said Senator Aldrich; "we have obtained all the information we wanted, and everybody has been most kind. In fact, I have never been on a commission where we got so much information in so short a time."

England being the most important centre of the commission's investigation, a majority of the members left for home to-day. Messrs. Aldrich, Smoot, Burton, Baker and Moore left by the St. Paul; Senator Hale leaves by the Mauretania. Senator Daniel is already on the Continent; Vreeland and Overstreet will start for Paris to-day and Congressman Padgett later to make supplementary personal inquiries.

INTERNATIONAL CROOKS.

All the energies of Scotland Yard are concentrated now on an effort to capture a gang of the cleverest and most expert continental and American thieves who are at present working together in London. Many guests of hotels have been taken into the most adroit fashion. Constant complaints are being made to hotel managers regarding missing jewelry and letters of credit. Strict supervision of the bedrooms of visitors has prevented more of the successful thefts.

Yesterday, however, an American merchant who had just arrived from Ostend went to one of the smart hotels and hung his coat in the hair dressing saloon. Within a few minutes, although the coat was hanging in full view of many of the men in the saloon, which is filled with mirrors, the owner's wallet was missing from an inside pocket. The loss was discovered when the merchant took the coat from his peg.

The wallet contained a letter of credit, money and important papers. The detective hope to make an early capture of the whole gang, who no doubt are among the best at the various hotels.

INSANITY SPREADING.

While the death rate of England has been decreasing steadily for the last few years, it has been 13.3 in the 1,000 for the last three months, which is 1.8 below the corresponding quarter of the previous ten years. Lunacy, on the other hand, is increasing in a marked degree. This year's ratio of certified lunatics is 1 in 280. Ten years ago it was 1 in 309. The tables show a higher proportion of female insane. Males are also declining, being 10.8 per 100,000 against an average rate in the previous ten years of 11.4. The birth rate, too, shows a downward trend.

WHITE STAR CADETS.

The famous old clipper ship *Mersey* sailed this week for Australia with forty cadets who hope one day to be officers of

the White Star Line. The ship has been turned into a floating nautical college, where the boys will take their share of the work with ten able seamen. In addition there are three navigating officers, two schoolmasters and the commander. The boys are chiefly sons of gentlemen farmers and clergymen. They each pay \$1,000 for a four years course. The scheme originated from the shortage of British officers on ocean liners. The Board of Trade has issued special regulations, allowing these boys to qualify as officers just as though they had been apprenticed in the usual way.

UNREPENTANT SUPPAGETTES.

Two unrepentant but attractive criminals came out of Holloway jail this morning into the midst of a crowd of 500 persons who cheered them vociferously. They were the Misses New and Leigh, who short time ago broke Prime Minister Asquith's windows with stones and announced when they were arrested that they would "use bombs next time." The 500 persons in waiting were mostly women. Some of them assisted the released prisoners into a much decorated brougham and then disposed themselves in omnibuses and formed a procession which drove to Queen's Hall, where a breakfast was given in honor of the martyrs to the woman suffrage cause.

Miss Chrystabel Pankhurst said in a speech that imprisonment had been made much more uncomfortable for these suffragettes than it had been for others. Undoubtedly an attempt had been made to crush the spirit of Misses New and Leigh, but that was impossible. Miss Pankhurst also stated that the suffragette campaign would be continued but more determined than any that had gone before.

The honored guests both made short speeches, but did not complain of their treatment while in prison. Miss Leigh stated that in a short time she expected Prime Minister Asquith to say: "Sign no more, ladies, the vote is yours."

SOCIAL DOINGS.

Shooting parties have commenced, and many Americans are entertaining or being entertained at country houses. Harry Payne Whitney is at Wemmerghill Hall, the home of Mr. and Mrs. Charles Hunter. The Earl and Countess of Craven have among other guests at Combe Abbey Mr. and Mrs. Bradley Martin, the Marchioness of Dufferin and Countess of Stratford. Mr. and Mrs. Ralph Vivian have a party of compatriots at their shooting box in the Highlands. Lady Cunard is a guest of Mr. and Mrs. H. R. Baird at Durris House, Kincairdineshire, Scotland.

Melton Mowbray apparently is to be as popular with Americans this season as it was last, since many offers have been made by them for houses. Mr. and Mrs. E. R. Strawbridge have already secured Syonby Lodge.

The young American violinist Margel Gluck played for the Queen of Spain at Cowes last night. Princess Henry of Battenberg, the Queen's mother, and Princess Christian were present. All seemed pleased with the ability of the young artist, who is likely to accompany Mme. Tetrazzini on her concert tour.

SAILORS WIN AT BASEBALL.

Sydney Team Has the Best of It at Football.

Special Cable Dispatch to THE SUN.

SYDNEY, Aug. 22.—The Government took 500 American officers and bluejackets to-day on three special trains to Newcastle on the Blue Mountains, returning in the evening. Numerous private entertainments were given to the sailors.

In a game of baseball between men from the Nebraska and a team from the United States, the Americans won by a score of 3 to 0. A nine selected from the fleet defeated a team representing New South Wales, 6 to 5.

On the other hand the New South Wales rugby football team beat a fleet team, 6 to 3.

A race meeting was held at Rose Hill. The programme included the batheup hurdles and the Rosebery Dewey, Sperry, Flagship, American Fleet and Visitors' Stakes.

Admiral Sperry entertained on board the Connecticut Lord Northcote, ex-Governor-General of the Commonwealth of Australia, Admiral Sir Harry Rawson, Governor of New South Wales, and the Lord Mayor and Lady Mayors of Sydney. In the evening Vice-Admiral Sir Richard Poore entertained Lord Northcote, Admiral Rawson and the senior American officers on board the Powerful.

There was a continuous fireworks display to-night lasting an hour and a half. It was viewed by hundreds of thousands of people. Five thousand American sailors spent the evening ashore. Their behavior was very orderly. A concert and several smokers were given for them.

DUCHESS OF AOSTA MAY DIE.

Sister-in-Law of the Duke of the Abruzzi Has Consumption.

Special Cable Dispatch to THE SUN.

PARIS, Aug. 22.—The Duchess of Aosta, wife of the eldest brother of the Duke of the Abruzzi, who has been suffering from consumption for a long time, is said by the *Ecclair's* Rome correspondent to be very seriously ill. The physicians have only slight hope for her recovery.

German Schoolships to Visit Cuba.

Special Cable Dispatch to THE SUN.

HAVANA, Aug. 22.—The German Minister has been informed that the German schoolship *Freyia* will be here from October 28 to October 31, and the *Moitike* at Santiago from October 10 to October 26.

The Weather.

An area of low pressure passing over the St. Lawrence Valley was attended in its eastward movement by a rain belt which covered the New England and middle Atlantic States yesterday; the rainfall was steady and deluge throughout the morning. There were showers in all the Southern States and in Arkansas and Missouri; elsewhere the weather remained fair.

An area of high pressure was moving southeast from the Dakotas bringing clear weather.

The first freezing temperatures of the season were reported from Williston, N. D., and Minn. The cold was moving eastward over extreme northern Minnesota and the upper Lake regions. It was slightly cooler in the Central States and was warmer in the middle Atlantic States.

In this city the day was rainy until 2 P. M., when it began to clear; wind fresh and shifted from south to northwest; average humidity, 82 per cent; warm barometer corrected to read to sea level, at 6 A. M., 29.95; 3 P. M., 29.95.

The temperature yesterday, as recorded by the official thermometer, is shown in the annexed table:

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